



PUBLIC NOTICE

Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

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DA 06-1977
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DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF THE GERMANTOWN INDEPENDENT TELEPHONE COMPANY TO MJD VENTURES, INC.

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 06-177

Comments Due: October 16, 2006
Reply Comments Due: October 23, 2006

On September 14, 2006, The Germantown Independent Telephone Company¹ (“GITC” or “Transferor”) and MJD Ventures, Inc. (“MJD” or “Transferee”), filed an application, pursuant to section 63.04 of the Commission’s rules,² requesting authority to transfer control of GITC and its subsidiary, Germantown Long Distance Company (“GLDC”), to MJD.³

Applicants assert that this transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(iii) of the Commission’s rules because, upon completion of the proposed transaction, (a) Transferee will continue to have a market share in the interstate, interexchange market of less than 10%; (b) Transferee will not provide competitive telephone exchange services or exchange access services; and (c) Applicants are incumbent independent local exchange carriers (“LECs”) that have, in combination, fewer than 2% of the nation’s subscriber lines installed in the aggregate nationwide and no overlapping or adjacent service areas.⁴

GITC, an Ohio corporation, is an independent LEC that provides local exchange telephone service, exchange access services, and data services to approximately 4,000 access lines in and about the

¹ Applicants state that, technically, the transferors in this proceeding are the approximately 187 existing shareholders of GITC. However, given that no single shareholder owns more than 13.7% of the common stock of GITC, control is exercised by GITC’s Board of Directors and its officers, and therefore, GITC has been designated as the Transferor for purpose of this application.

² 47 C.F.R. §§ 63.03, 63.04; *see* 47 U.S.C. § 214.

³ Applicants filed a supplement to their application on September 27, 2006. Applicants are also filing applications for transfer of control associated with authorization for international services. Any action on this domestic 214 application is without prejudice to Commission action on other related, pending applications.

⁴ 47 C.F.R. § 63.03(b)(2)(iii).

Village of Germantown in Montgomery County, Ohio. GITC also has received authority from the Public Utilities Commission of Ohio to provide service in three exchanges adjacent to GITC's service area in southwestern Ohio: the Franklin and Miamisburg-West Carrollton, Ohio exchanges, in which AT&T Corp. is the incumbent LEC, and the Gratis, Ohio exchange, in which Verizon North, Inc. is the incumbent LEC. GLDC, also an Ohio corporation, resells interstate, intrastate and international long distance toll services furnished by facilities-based interexchange carriers. GLDC markets its resold services predominately within the Montgomery, Butler, Warren, and Preble County areas in Ohio served by GITC. The following entities directly or indirectly own at least 10% of the equity of Transferor: Vincent Holdings, Inc. (13.7%), a North Carolina corporation; and Nora A Slifer (12.86%), a U.S. citizen. Vincent Holdings, Inc. is owned by Signal Equity Partners II, LP (51%), a Delaware limited partnership; and American Broadband Communications LLC (49%), a Delaware limited liability company. The general partner of Signal Equity Partners II, LP is Signal Equity Advisers II, LLC, a Delaware limited liability company, which is controlled by the following individuals, all of whom are U.S. citizens: Timothy P. Bradley (23.3%); Alfred J. Puchala, Jr. (22.3%); Christian Nolen (19.6%); Malcolm C. Nolen (19.6%); and Charles T. Lake II (11.2%). American Broadband Communications, LLC is owned and controlled by William H. Tucker (50%) and Patrick L. Eudy (47.5%), both of whom are U.S. citizens. Applicants state that no other entity owns or controls a 10% or greater direct or indirect interest in Transferor.

MJD and its parent company, FairPoint Communications, Inc., both Delaware corporations, own 29 local exchange telephone companies in 18 states.⁵ Together with various long distance toll affiliates,

⁵ These companies, their serving areas, and states of incorporation are: (1) Bentleyville Communications Corporation, serving Washington County in southwestern PA, incorporated in PA; (2) Berkshire Telephone Corporation, serving five communities in Columbia County, NY, incorporated in NY; (3) Big Sandy Telecom, Inc, serving Big Sandy, including Elbert, El Paso, and Lincoln Counties, CO, incorporated in DE; (4) Bluestem Telephone Company, serving Americus, Cedar Point, Chalk, Lake Kahola, and Saffordville, KS, incorporated in DE; (5) Chautauqua and Erie Telephone Corporation, serving communities in the northwestern corner of Chautauqua County, NY; incorporated in NY; (6) China Telephone Company, serving three small communities in central ME, incorporated in ME; (7) Chouteau Telephone Company, serving Chouteau, Cedar Crest, and Peggs, OK, incorporated in OK; (8) Columbine Telecom Company, serving parts of Alamosa and Saguache Counties, including towns of Crestone, Hooper, Moffat, and Mosca, CO, incorporated in DE; (9) The Columbus Grove Telephone Company, serving Putnam and Allen Counties in northwest OH, incorporated in OH; (10) Community Service Telephone Co., serving seven communities in the Augusta, ME area, incorporated in ME; (11) C-R Telephone Company, serving towns of Cornell and Ransom, IL, incorporated in IL; (12) The El Paso Telephone Company, serving McLean and Wofford Counties, including El Paso, Panola, and Kappa, IL, incorporated in IL; (13) Ellensburg Telephone Company, serving central Washington, including the communities of Ellensburg, Selah, Kittitas, Thorp, Vantage, and Lauderdale, incorporated in WA; (14) Fairpoint Communications Missouri, Inc., serving Cass County, MO and Miami County, KS, incorporated in MO; (15) Fremont Telcom Co., serving all of Fremont County and part of Madison County, ID, incorporated in ID; (16) GTC, Inc. d/b/a GT Com, serving northwest FL, southern GA, and southern AL, incorporated in FL; (17) Maine Telephone Company, serving four communities on the northeast tip of Sebago Lake, ME, incorporated in ME; (18) Marianna and Scenery Hill Telephone Company, serving Marianna, Scenery Hill, Cokesburg, Ten Mile, Deenston, and Lone Pine, PA, incorporated in PA; (19) Northland Telephone Company of Maine, Inc., serving 23 communities in central Maine and New Hampshire, incorporated in ME; (20) Odin Telephone Exchange, Inc., serving Odin, Shobonier, Martinsville, and Oblong, IL, incorporated in IL; (21) The Orwell Telephone Company, serving nine exchanges in eastern and western OH, incorporated in OH; (22) Peoples Mutual Telephone Company, serving northern Pittsylvania County, VA, incorporated in VA; (23) Sidney Telephone Company, serving Sidney and central Kennebec County, ME, incorporated in ME; (24) Standish Telephone Company, serving 5 communities in southwest Cumberland County, ME, incorporated in ME; (25) STE/NE Acquisition Corp., d/b/a Northland

these local exchange carriers provide local exchange and exchange access services, long distance voice and data services, and cable television services. Two MJD-affiliated incumbent LECs presently provide domestic telecommunications services in Ohio,⁶ and a third MJD affiliate provides Internet access and cable television services.⁷ MJD is a wholly-owned subsidiary of FairPoint Communications, Inc. The following entities own a 10% or greater equity interest in FairPoint Communications, Inc.: Thomas H. Lee Equity Fund IV, L.P. (11.35%), a Delaware limited partnership; and Wellington Management Company, L.L.P. (14%), a Massachusetts limited liability partnership. The general partner of Thomas H. Lee Equity Fund IV, L.P. is THL Equity Advisors, IV, LLC, a Delaware limited liability company. In turn, Thomas H. Lee Partner, LP, a Delaware limited partnership, controls THL Equity Advisors, IV, LLC. Kent R. Weldon, a U.S. citizen, is the Managing Director of Thomas H. Lee Partners, LP. Perry Traquina, a U.S. citizen, serves as the President, Chief Executive Officer, and Managing Partner of Wellington Management Company, LLP, which is a private limited liability partnership engaged in the business of investment management. Applicants state that no other entities directly or indirectly hold a 10 percent or greater ownership interest in Transferee.

The proposed transaction consists of the merger of FairPoint Germantown Corporation (“FGC”), a newly-formed Ohio corporation owned 100% by MJD, into GITC, with GITC continuing as the surviving corporation. The pre-merger shares and rights of GITC will be converted or cancelled, subject to various provisions for the payment of the merger consideration to consenting and dissenting shareholders. At the completion of the various merger procedures, all of the issued and outstanding common stock of GITC will be owned by MJD. Control of GITC will give MJD and its parent corporation, FairPoint Communications, Inc., control of the blanket domestic Section 214 authorizations held by GITC and GLDC.

Applicants state that the proposed transaction will serve the public interest by ensuring the continued availability of quality telecommunications services at affordable rates for the businesses and residents of the rural Germantown, Ohio area served by GITC. MJD further states that, in the near term, it will operate GITC in a manner virtually transparent to its customers by continuing to provide the same services at the same rates, terms and conditions as GITC customers currently enjoy. Post-consummation,

Telephone Company of Vermont, serving eight communities in central and northeastern VT, incorporated in DE; (26) Sunflower Telephone Company, Inc., serving western KS and eastern Colorado, incorporated in KS; (27) Taconic Telephone Corp., serving portions of Columbia, Rensselaer, Dutchess Counties in NY, and Berkshire County in MA, incorporated in NY; (28) Yates City Telephone Company, serving Knox County in IL, incorporated in IL; and (29) YCOM Networks, Inc., serving parts of rural Thurston and Pierce Counties in WA, including Yelm and Rainier, incorporated in WA.

⁶ The Orwell Telephone Company serves four local exchanges in northeastern Ohio (Orwell, Colebrook, North Bloomfield, and Windsor) and five local exchanges in northwestern Ohio (Belmore, Gilboa, Leipsic, Mt. Cory, Pandora), providing local exchange telephone services (including enhanced calling features), exchange access lines, long distance toll services, data services, and cable television services. The Columbus Grove Telephone Company serves one local exchange comprised of approximately 1,900 access lines in northwestern Ohio (Columbus Grove), and provides local exchange telephone services (including enhanced calling features), exchange access services, long distance toll services, and data services.

⁷ Quality One Technologies, Inc., an MJD affiliate and Columbus Grove Telephone Company subsidiary, provides Internet access and cable television services in Columbus Grove and Leipsic, Ohio.

Applicants also expect to obtain the benefit of greater economies of scale and scope, as well as greater financial resources, to allow them to compete successfully in the long term.

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to sections 1.415 and 1.419 of the Commission's rules, 47 CFR §§ 1.415, 1.419, interested parties may file **comments on or before October 16, 2006** and **reply comments on or before October 23, 2006**.⁸ Unless otherwise notified by the Commission, Applicants are permitted to transfer the assets and related control on the 31st day after the date of this notice.⁹ Comments may be filed using: (1) the Commission's Electronic Comment Filing System (ECFS), (2) the Federal Government's eRulemaking Portal, or (3) by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

- **Electronic Filers:** Comments may be filed electronically using the Internet by accessing the ECFS: <http://www.fcc.gov/cgb/ecfs/> or the Federal eRulemaking Portal: <http://www.regulations.gov>. Filers should follow the instructions provided on the website for submitting comments.
- **For ECFS filers,** if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to ecfs@fcc.gov, and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.
- **Paper Filers:** Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

The Commission's contractor will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial

⁸ See 47 C.F.R. § 63.03(a).

⁹ Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, S.W., Washington D.C. 20554.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty).

You may submit comments, identified by the above noted docket number, by any of the following methods:

- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
- Federal Communications Commission's Web Site: <http://www.fcc.gov/cgb/ecfs/>. Follow the instructions for submitting comments.
- People with Disabilities: Contact the FCC to request reasonable accommodations (accessible format documents, sign language interpreters, CART, etc.) by e-mail: FCC504@fcc.gov or phone: 202-418-0530 or TTY: 202-418-0432.

In addition, one copy of each pleading must be sent to each of the following:

- (1) The Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, www.bcpweb.com; phone: (202) 488-5300 fax: (202) 488-5563;
- (2) Cecilia Seppings, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-A103, Washington, D.C. 20554; email: cecilia.seppings@fcc.gov;
- (3) Alex Johns, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C317, Washington, D.C. 20554; e-mail: alexis.johns@fcc.gov;
- (4) Susan O'Connell, Policy Division, International Bureau, 445 12th Street, S.W., Room 7-B544, Washington, D.C. 20554; email: susan.o'connell@fcc.gov; and
- (5) James Bird, Office of General Counsel, 445 12th Street, S.W., Room 8-C824, Washington, D.C. 20554; e-mail: james.bird@fcc.gov.

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CYB402, Washington, D.C. 20554, telephone: (202) 488-5300, fax: (202) 488-5563, or via e-mail www.bcpweb.com.

For further information, please contact Cecilia Seppings at (202) 418-1588, or Alex Johns at (202) 418-1167.

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